

Azure Cost & Control: Overcoming Concerns

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SYNNEX

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Can I trust the “cloud”?



Microsoft: We have to earn your trust on a daily basis.

- We are serious about our commitment to protect customers in a cloud-first world.
- We live by standards and practices designed to earn your confidence.
- We collaborate with industry and governments to build trust in the cloud ecosystem.

A portrait of Satya Nadella, CEO of Microsoft, wearing a dark suit jacket over a light blue shirt and glasses. He is smiling slightly and looking directly at the camera. The background is plain white.

“Businesses and users are going to embrace technology only if they can trust it.”

– Satya Nadella

Our cloud principles

Commitment to principles worthy of your organization's trust

Security



- Your content safeguarded with state-of-the-industry security technology and certifications.
- Your content encrypted in transit.
- Tools and features to support encryption at rest.

Privacy & Control



- You control content permissions and usage.
- You always have access to your content and can delete it or take it with you if you leave.

Compliance



- Your content is stored and managed in compliance with applicable laws, regulations, and key international standards.

Transparency

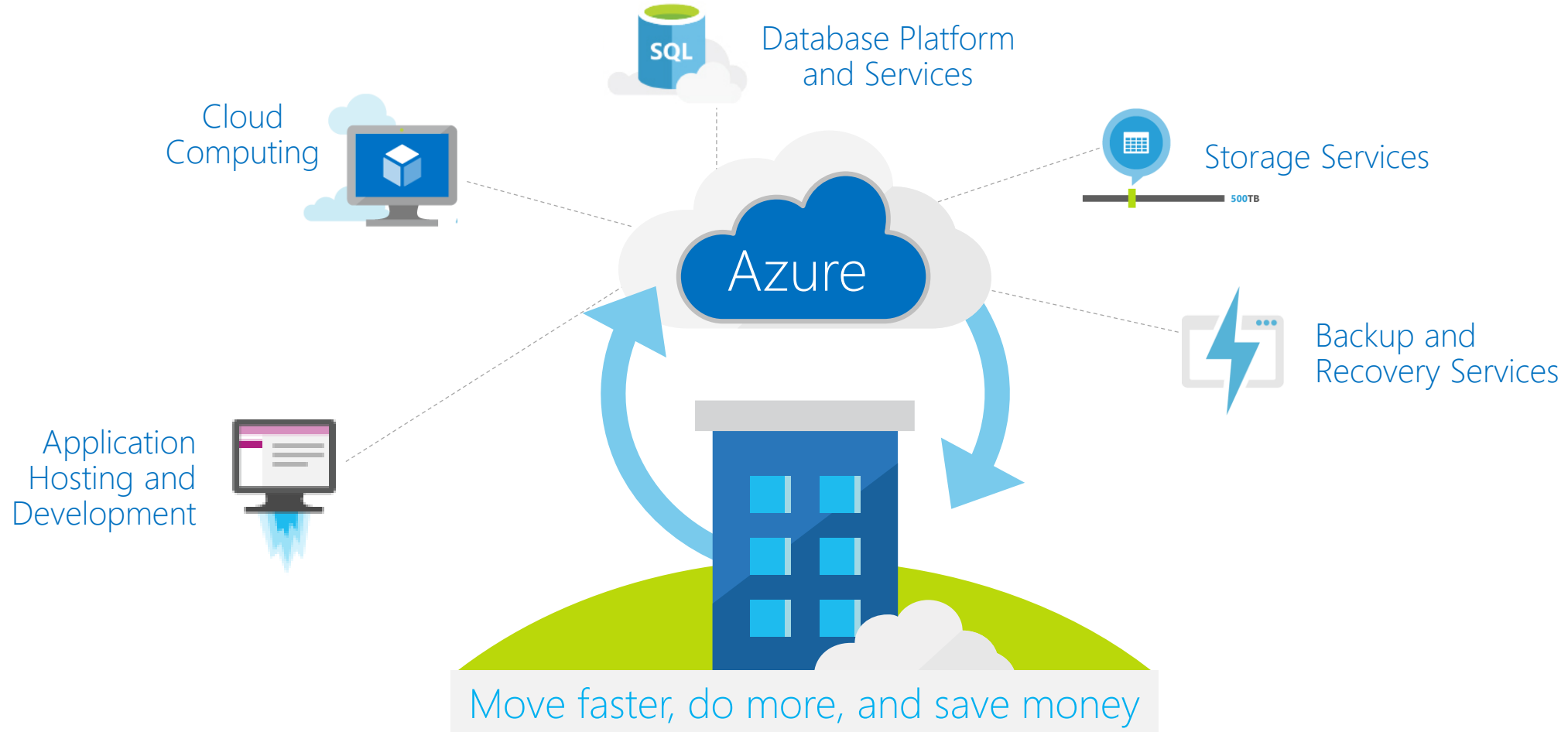


- A clear, plain-language explanation details how your cloud provider uses, manages, and protects your content.
- You are notified how your cloud provider will respond to law enforcement requests to access your content.







The comprehensive Azure experience

Azure offers a collection of infrastructure and platform services in the cloud that integrate with your IT, making you more productive, saving you money, and simplifying management.



Which are the Apps & Infra Plays

	Modern workplace	Collaboration	Security & Compliance	Powered Devices		
	Business Applications	Business Central	Customer Service	Field Service	Sales	Marketing
		Talent	Operations			
	Apps & Infra	Backup/Archive & DR	HPC	Dev/Test & DevOps	SAP on Azure	Red Hat on Azure
		Customer Facing Applications	Internal Facing Applications	Business Analytics & AI	Datacenter Transformation	Internet of Things (IoT)
	Data & AI	Data Platform Modernization	Big Data & DW	Internet of Things (IoT)	Advanced Analytics & BI	Application Innovation
		Artificial Intelligence (AI)				

De-positioning AWS

Lower Cost

"Amazon is less expensive than Microsoft"



- **Microsoft matches AWS pricing** for all commodity public cloud offerings.
- Azure packs more compute capacity than AWS in the instances we offer, so Azure **beats AWS on price to performance**.
- Reserved EC2 instance usage above and beyond contracted usage is charged at the On-Demand rate.

Innovation

"Amazon is more innovative than Microsoft"



- Azure releasing new services faster than AWS (most AWS updates are enhancements)
- Azure is **56% faster** in write speed than AWS¹.
- Azure's average availability response time is **25% faster** than Amazon S3¹.
- Windows Azure Storage has over **4 trillion objects**, processes an average of 270,000 requests/second.

Visionary

"Amazon is leading the way to an 'all cloud' future"



- Amazon envisions a world where **everything is in the cloud**, claiming that private clouds are an "archaic" and "old guard" approach.
- At the same time, AWS pitches an **inaccurately defined "hybrid"** platform.
- Microsoft (and analysts) envision a hybrid future, and Microsoft offers **one consistent platform** for infrastructure, apps and data, whether in the datacenter, a hosting service provider and/or the Microsoft public cloud.

¹Nasuni, The State of Cloud Storage 2013 Industry Report



Saving money with Azure Hybrid Benefit and Azure Reserved Instances

Software Assurance enables digital transformation

Modernize applications and infrastructure to best enable your digital organization



Modernize applications

Latest innovation to create more agile, secure, and intelligent applications

[New Product Version Rights](#)



Move applications to the cloud

Up to 50% savings on the speed, scale, and innovation in the cloud

[Azure Hybrid Benefit for Windows Server](#)

Use your Windows Server licenses to migrate to Azure with big savings

Without Azure Hybrid Benefit

\$4,393



With Azure Hybrid Benefit

\$2,236



Up to

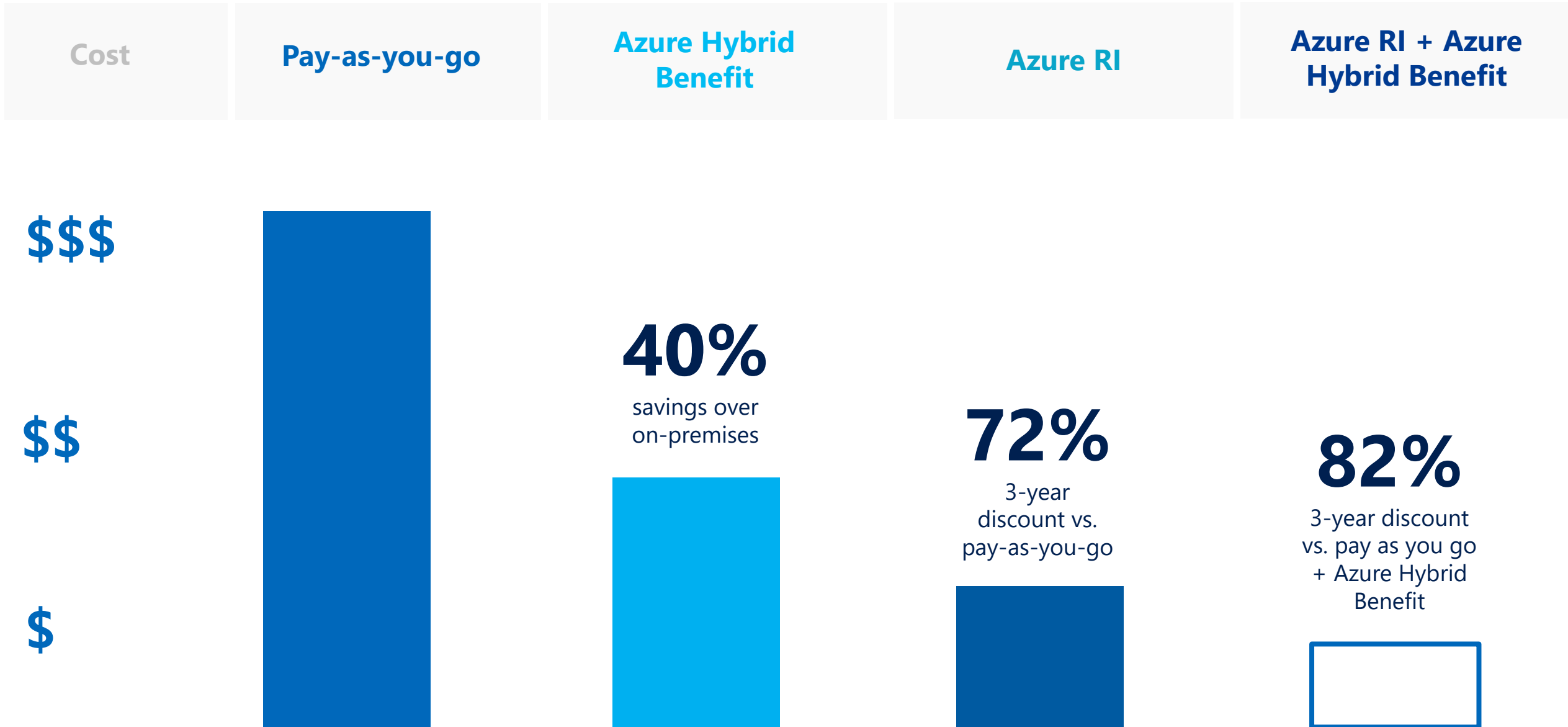
40%

savings*

- ✓ Save up to 40% on Windows Server virtual machines
- ✓ Add value to your Software Assurance investments

Note: Sample annual cost comparison of two D2V2 Windows Server VMs
*Savings based two D2V2 VMs in US East 2 Region running 744 hours/month for 12 months; Base compute rate at SUSE Linux Enterprise rate for US East 2; SA cost (Level A) for Windows Server standard edition (one 2-proc license or a set of 16 core licenses); Prices as of October, 2016; Prices subject to change.

Save even more with Reserved Instance in Azure

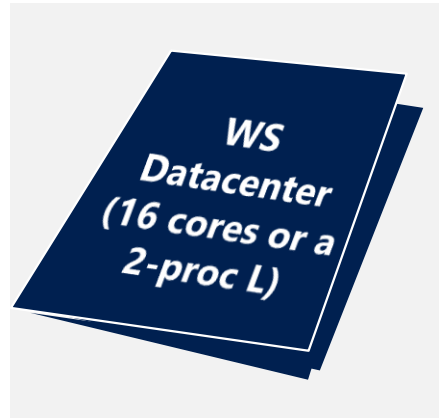


Standard and Datacenter licenses with Software Assurance get up to two VMs per license

License with SA

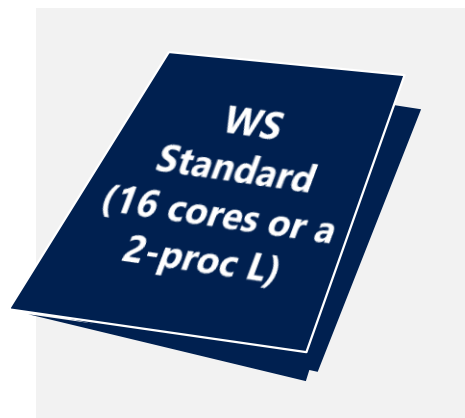
VMs & cores granted

How they can be used



Up to 2 VMs and up to 16 cores

Run virtual machines both on-premises and in Azure




Up to 2 VMs and up to 16 cores

Run virtual machines either on-premises or in Azure

Flexibility to run configurations per your needs

With one two-Proc or 16-core license

Example 1: Maximize cores

VM #1  = D14 (16 vCore)



Total: 1 VM, 16 cores (max)

Example 2: Maximize VMs and cores

VM #1  = D13 (8 vCore)
VM #2  = D13 (8 vCore)

Total: 2 VMs (max), 16 cores (max)

Example 3: Mix VMs and cores

VM #1  = D2 (2 vCore)
VM #2  = D3 (4 vCore)

Total: 2 VMs (max), 6 cores

With two 2-Proc or 32 cores
Run VMs > 16 cores by stacking licenses

Example: Stacking licenses with two 2-Proc or 32 cores

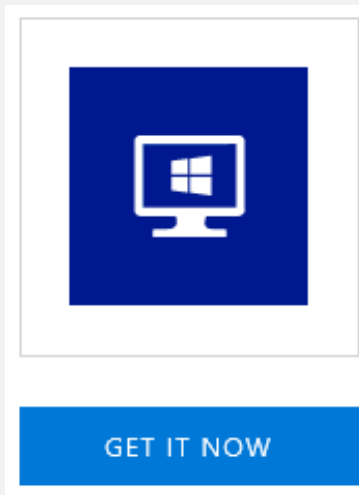


VM #1 = G5 (32 vCore)

Total: 1 VM, 32 cores (max)

Three ways to activate benefit

[Use Azure Marketplace images](#) to deploy a new virtual machine in minutes



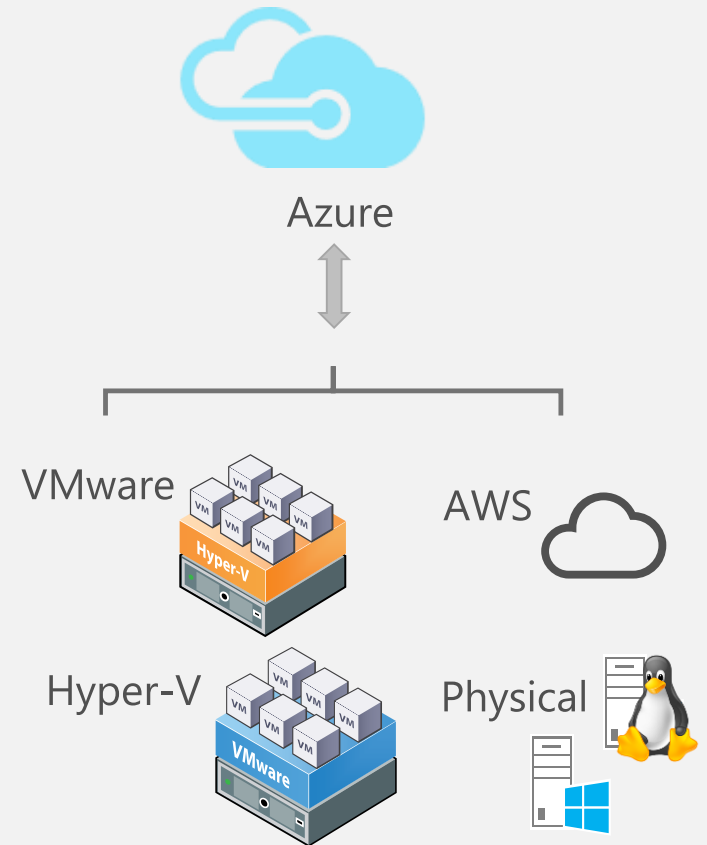
[Upload a custom virtual machine](#)

Create Windows VM on-premises

Upload to Azure and tag

Deploy via PowerShell / Resource Manager

[Free migrations¹ with Azure Site Recovery](#)



1. Free for first 31 days

Introducing Azure Reserved VM Instances

- Reserve virtual machines in advance
- Select 1- or 3-year terms with significant benefits
- Available Now



Significant cost savings up to 82%* over pay-as-you-go models



Budget predictability and prioritized compute capacity



Flexibility to modify reservations and simplicity of purchase

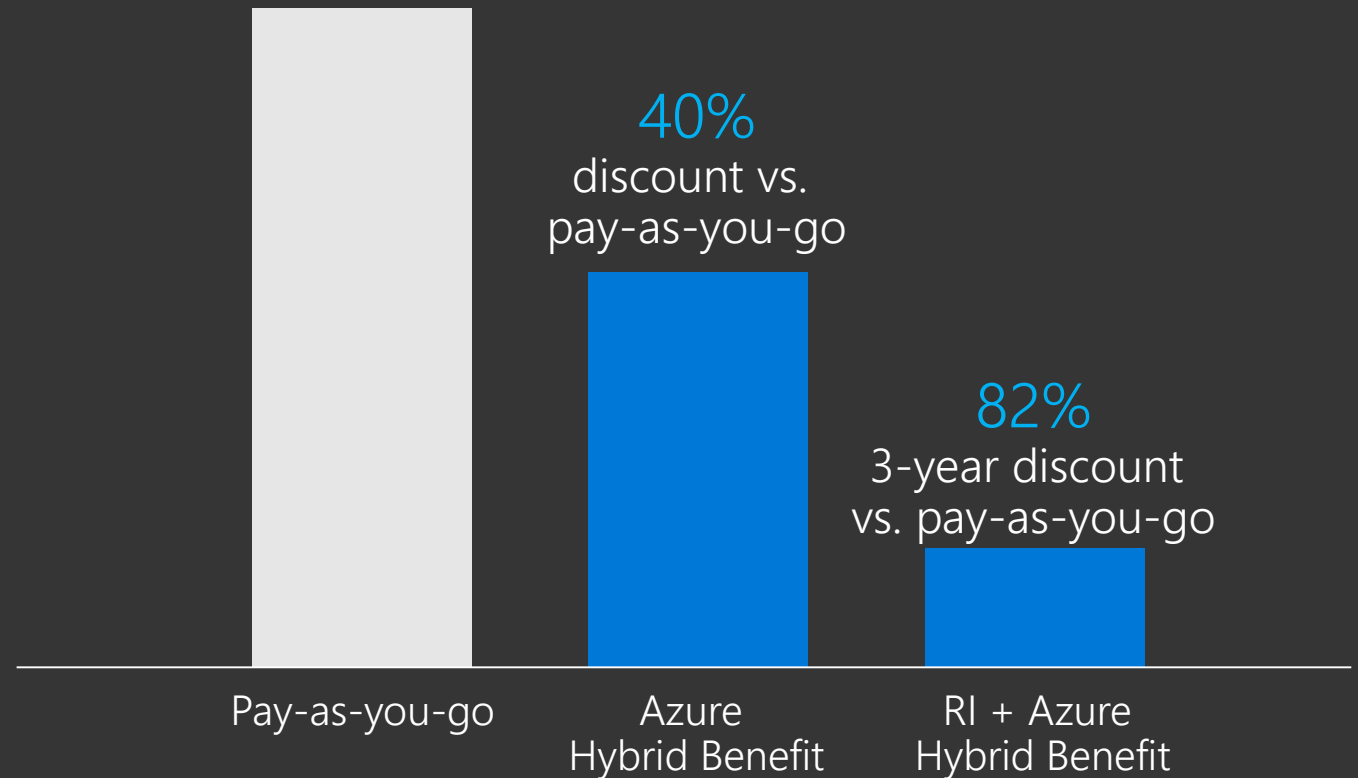
*When combined with Azure Hybrid Benefit

Most cost-effective cloud for Windows Server



Save **40%** with Azure Hybrid Benefit for Windows Server

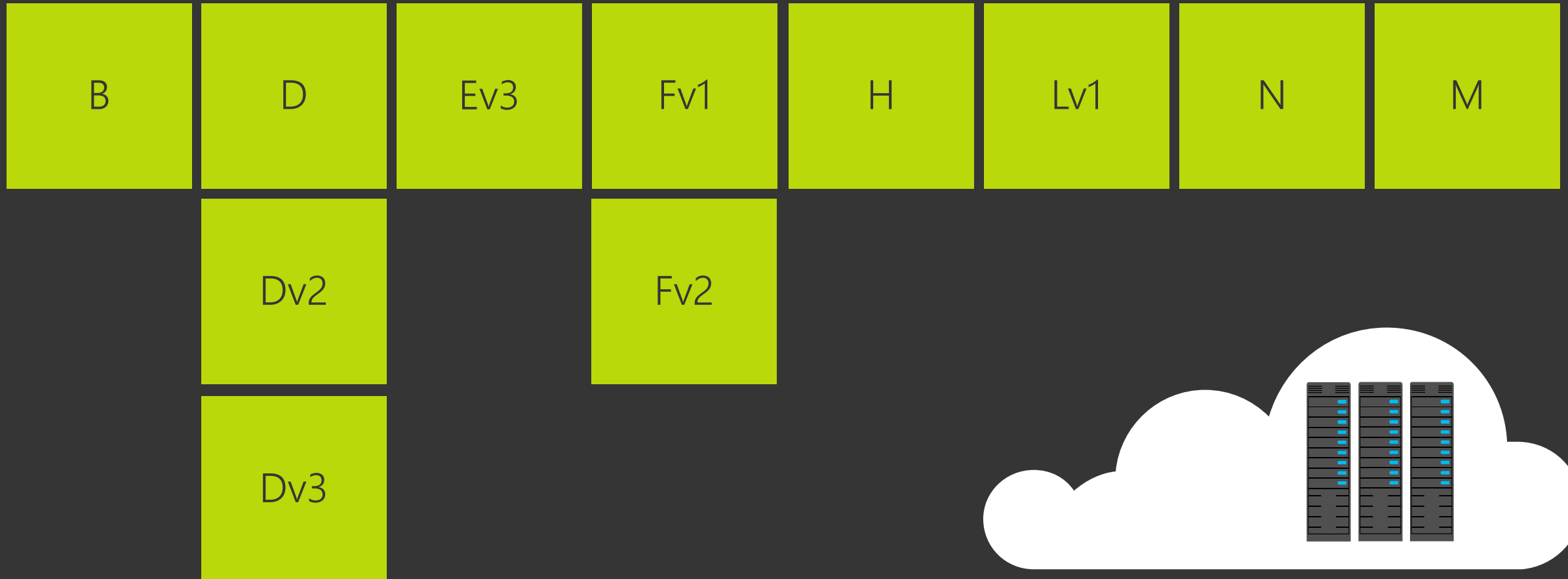
Save up to **82%*** with the Azure Hybrid Benefit combined with RI



*Based on Dv2 three-year RI with Azure Hybrid Benefit

VM families supported in RI

The following VM families are supported in RI:



Learn More

- Go to the [Azure RI](#) web page and sign-up for updates
- Activate your [Azure Hybrid Benefit](#)
- Choose Azure for your [Windows Server workloads](#)
- Estimate your monthly bill with the [pricing calculator](#)

Microsoft Azure

Why Azure Solutions Products Documentation Pricing Training Marketplace Policies Blog Resource Support

FREE ACCOUNT

Azure Reserved Virtual Machine Instances COMING SOON

Reserve virtual machines in advance and save up to 82 percent when combined with Azure Hybrid Benefit

- ✓ Save up to 82% on Windows Server virtual machines and up to 72% on all virtual machines
- ✓ Budget and forecast better with predictable prices on all virtual machines
- ✓ Change or cancel reservations as business needs evolve with the flexible buyback program
- ✓ Buy in advance in a few steps

Get started

More cloud, less cost

Significantly reduce costs — up to 72 percent on pay-as-you-go prices or three-year terms on Windows and Linux virtual machines. When you combine the cost savings inherent in Azure Reserved Virtual Machine Instances with the added value of the Azure Hybrid Benefit, you can save up to 82 percent.

Lower your TCO by combining Azure Reserved Virtual Machine Instances with pay-as-you-go to manage work across predictable and variable workloads.

What's more, you can now ensure long-term price predictability to improve your budgeting and forecasting. With a single up-front payment, you'll be able to easily anticipate your investments.

Save up to 72% with Azure VM Reservations

Configuration	Cost Savings
No reservation (On-Demand)	0%
Azure RI	72% cost savings vs. On-Demand
Azure RI + AHB	82% cost savings vs. On-Demand with AHB

Simplicity meets flexibility

Select and purchase Azure Reserved Virtual Machine Instances in three easy steps. Specify your region, virtual machine series, and term (one or three years) and have the bill do it for you. Implement, and manage against your desired workloads with predictable, consistent capacity around the globe - reserve resources are available when and where you need them.

While Azure Reserved Virtual Machine Instances require making upfront commitments on compute capacity, they also provide flexibility should your business needs change. Easily swap, exchange or cancel Azure Reserved Virtual Machine Instances with the buyback program.

- Buy Azure Reserved Virtual Machine Instances within the same virtual machine series and region - for example, swap one 10 core to two 5 core at no additional cost.
- Exchange Azure Reserved Virtual Machine Instances for another in a different region or series as your workload or application needs change.
- Cancel your Azure Reserved Virtual Machine Instances if you no longer need the capacity you purchased. With the buyback program, you're able to cancel at any time in the reservation period for a prorated refund.

Stay informed about updates for Reserved VM Instances

First name
Last name
Company name
Phone
Email

Migrating to Azure



Cloud migration will continue to grow



IaaS is fastest growing subsegment, projected to grow **36.6% in 2017**, **30.1% CAGR for next 5 years**

–Gartner and IDC



80% of CIOs will be pressured by their business leaders to evaluate **migrating their datacenters** to IaaS

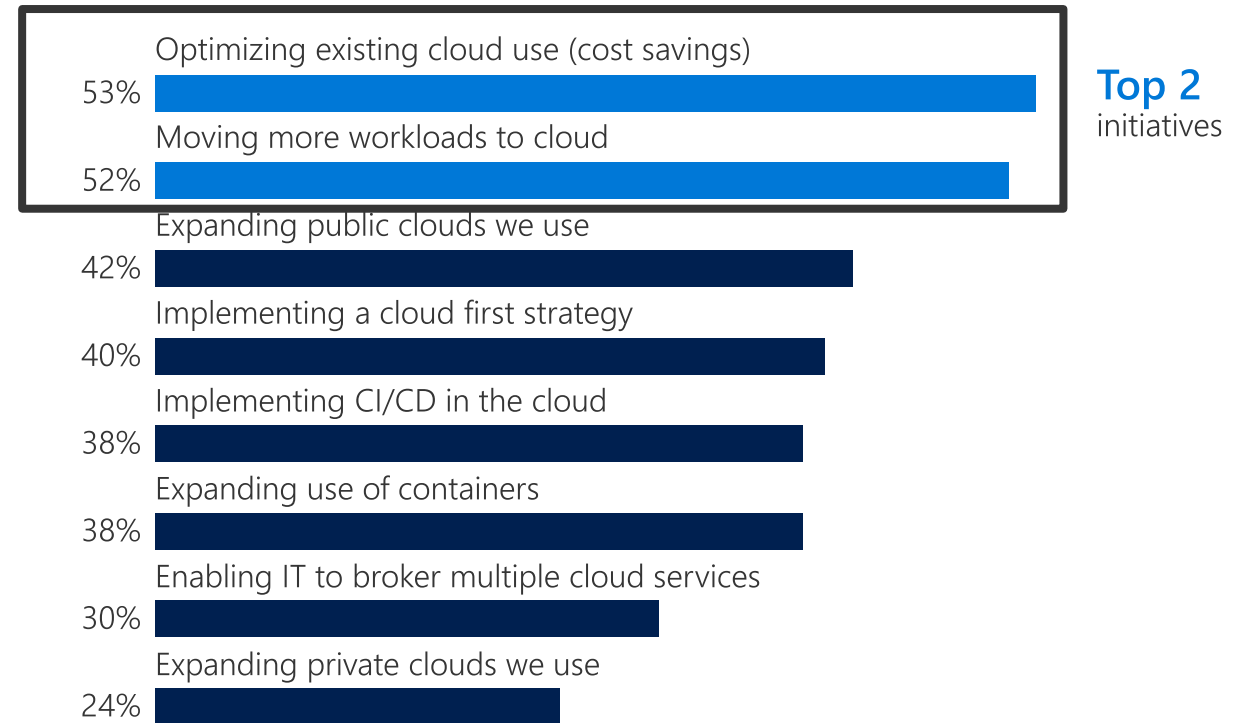
–Gartner



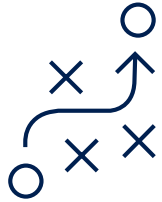
Azure PaaS reduces **time required to manage apps by 80%** and **time to deploy a new app by 50%**

–Forrester

Top cloud initiatives



Confidently migrate your applications, data, and infrastructure to Azure

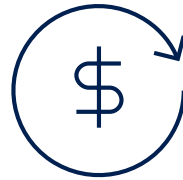


Flexible migration options with hybrid support

Hybrid infrastructure
(Windows Admin Center, Azure security and management, Azure Active Directory)

Hybrid applications and data
(Azure + Azure Stack, common data platform)

On-premises server innovation



Cost-effective throughout the entire migration experience

Azure Hybrid Benefit

Free security updates for EOS servers
(for 3 years after EOS timeline)

Free tools to get started

Free cost management solution



Low risk, high confidence migration

Decades of enterprise experience

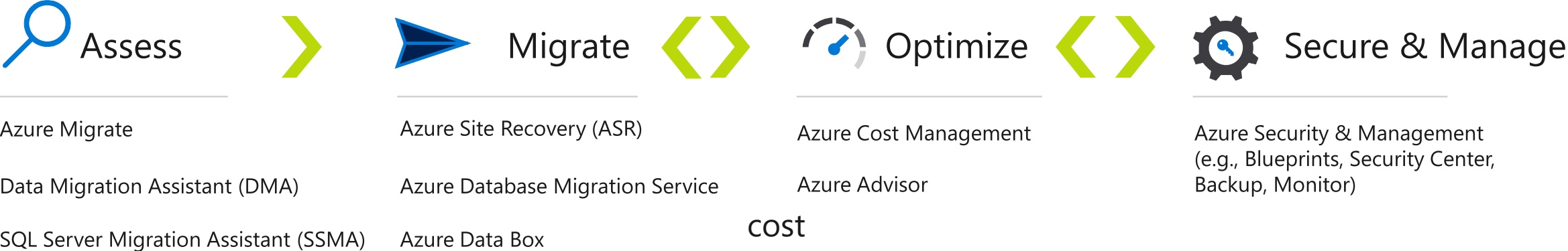
Secure/Compliant EOS servers
(for 3 years after EOS timeline)

Azure migration center

Rich partner ecosystem

Choice of tools for every stage and every requirement

Goal is successful Azure migration: Pick the right tool for the job



We embrace ISV solutions



Azure Fundamentals: Governance

Governance becomes very critical as you scale Azure migration efforts



Management Group

Define organizational hierarchy

Hierarchy



Policy

Real-time enforcement, compliance assessment and remediation

Control



NEW

Blueprints

Deploy and update cloud environments in a repeatable manner using composable artifacts

Environment



NEW

Resource Graph

Query, explore & analyze cloud resources at scale

Visibility



NEW

Cost Management

Monitor cloud spend and optimize resources

Consumption

Migration approach: Best practices



People

- Drive org culture change
- Set up migration center of excellence (CoE)
- Ensure right stakeholders are engaged
- Provide learning paths & certifications
- Use skilled migration partners



Planning & process

- Build biz case w/ exec sponsorship
- Plan migration strategies
- Start small: Do a pilot
- Track migration scorecard
- Track and optimize cloud spends

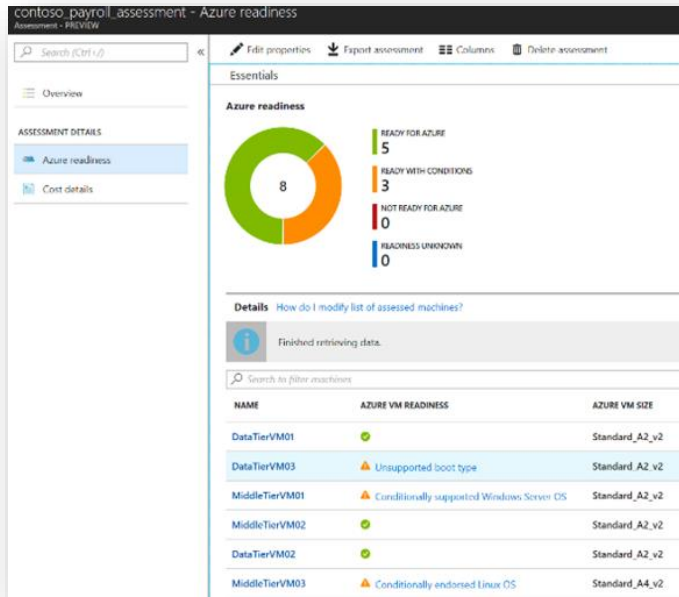


Technology

- Govern Azure environments & resources
- Extend networking/identity to Azure
- Establish robust security foundation
- Evolve workload management approach
- Choose migration tools best suited for the job

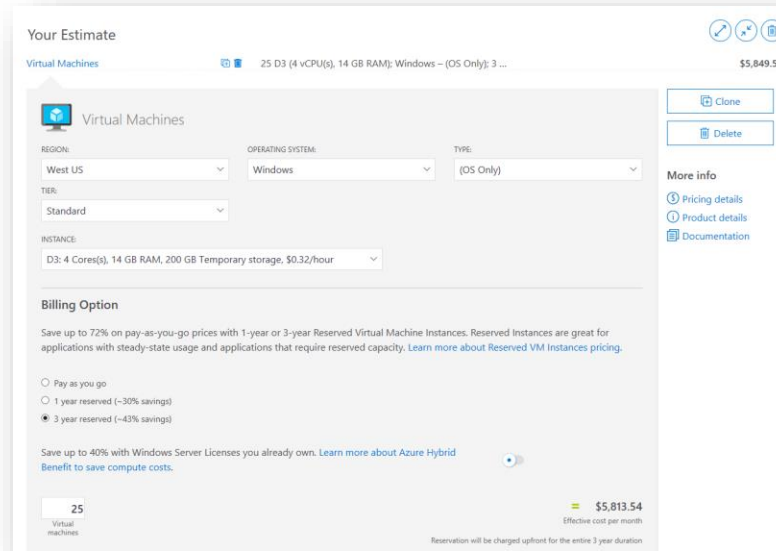
[Best practice details on Azure migration center](#)

Best practice example: Building a cloud business case



Gather Inventory

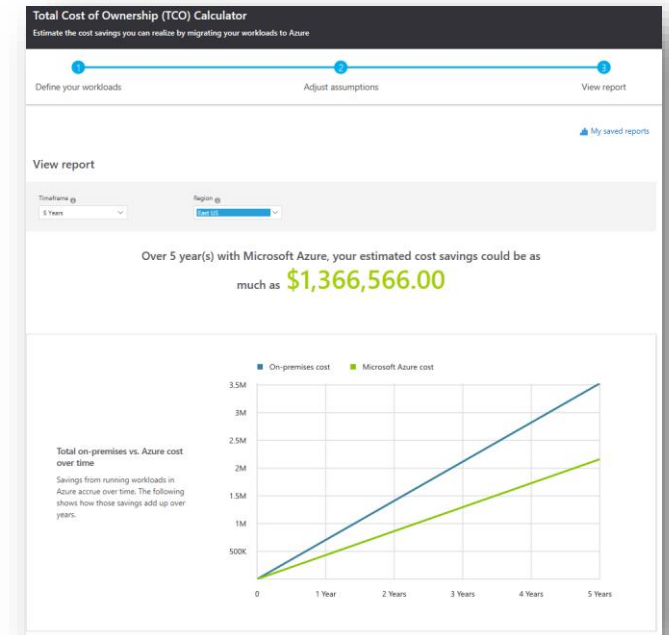
Azure Migrate or Partner Tools



Azure Pricing Calculator

Configure and estimate costs for Azure products

azure.com/pricing/calculator



Azure TCO Calculator

Estimate on-premises costs vs. Azure
azure.com/tco

Best practice example: Use TCO reports to showcase cost savings of moving to Azure (vs. on-premises)

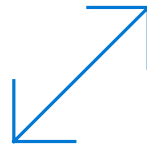
Save up to **78%***



Datacenter migration TCO vs. on-premises

VMware VMs → IaaS

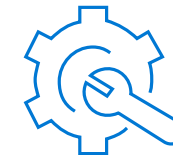
Save up to **68%***



Rehost application on Azure

Windows/SQL → IaaS/SQL DB MI
Linux/MySQL → IaaS/MySQL

Save up to **63%***



Rearchitect application on Azure

Windows/SQL → App Service/SQL DB MI
Linux/MySQL → App Service/MySQL

Migrate EOS servers to Azure: >\$750K TCO savings over 3 years for 100 VMs*

*Source: [Azure.com/tco](https://azure.com/tco)

Assess your environments with Azure Migrate

App performance history

App configuration data

Applicable discounts and offers
(e.g., Azure Hybrid Benefit, RI)

Target Azure location



Azure Migrate



Azure suitability analysis
(e.g., compatibility)

Rightsized Azure resource model

Azure cost estimates






App dependency map

VMware assessments | Windows and Linux assessments | Free, built in service

Selecting the right Assessment tools

Summary guidance

- Get started with Azure Migrate to drive assessments. It is free and available directly from the Azure portal.
- For specific customer needs/scenarios, check out the capabilities from Azure/ISV tools below.

FEATURES	 Azure Migrate	 Corent  turbonomic  MOVE RE  Cloudamize
Free	✓	
Assessment of VMware/ Hyper-V environments ¹	✓	✓
Assessment of physical environments		✓
Agentless dependency visualization		✓
Advanced cloud economics cost modelling		✓

¹ Azure Migrate support for Hyper-V assessments are available in preview with production support

Get started at no cost: Built-in tools at each stage

Pre-migration



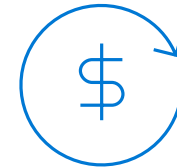
Azure Migrate

During migration



Azure Site Recovery

Post-migration



**STELLR Portal for usage and
billing**

Azure Migration Center

How-to, case study and other related content across the apps & infra Migration journey

What is the Azure Migration Center

- A hub for Microsoft information regarding Azure migration
- Includes step by step guides to each stage of the migration journey, links to training, how-to, and case studies, as well as information on migration tools and ISV partners

When to use it

- The site is a reference across the entire migration practice journey, from planning initial investments to first PoCs to full customer migrations
- Watch Azure migration webinar series

How to access

- The site is a core part of the overall Azure.com site- and can be accessed directly [here](#)
- See Microsoft leadership discussing why now is the time to migrate to Azure [in this video](#) (requires registration)

The screenshot displays the Microsoft Azure Migration Center website. The top navigation bar includes 'Microsoft Azure', contact information, search, and account links. A main header section titled 'Azure migration center' describes it as a hybrid cloud solution for migrating apps and infrastructure. Below this is a navigation menu with options like 'Home', 'Assess', 'Migrate', 'Optimise', and 'Partners'. The central content area, 'Azure migration journey', outlines a three-step process: 'Assess' (discovering and assessing on-premises apps), 'Migrate' (moving apps and infrastructure), and 'Optimise' (streamlining cloud resources). A progress bar at the bottom indicates the transition from 'ON-PREMISES' to 'AZURE'. A footer banner promotes the 'Azure Database Migration Service'.

TCO calculator

Estimate cost savings by migrating workloads to Azure

What does the tool do

- The TCO Calculator recommends a set of equivalent services in Azure that will support customer workloads. The reporting shows each cost category with estimated on-premises versus Azure spend. There are several cost categories that either decrease or go away completely when customers move workloads to the cloud

Why to use it

- Cost savings are a strong part of the Azure value proposition- this simple tool lets partners visualize those for their customers
- This is a business development tool – it is an estimator of potential saving, not a quote tool
- Follow a simple three step process allows to demonstrate Azure cost savings to customers

How to access

- [Link to TCO tool](#)

Total Cost of Ownership (TCO) Calculator

1 Define your workloads 2 Adjust assumptions 3 View report

Define your workloads

Enter the details of your on-premises workloads. This information will be used to understand your current TCO and recommended services in Azure.

Servers

Enter the details of your on-premises server infrastructure. After adding a workload, select the workload type and enter the remaining details.

+ Add server workload

Databases

Enter the details of your on-premises database infrastructure. After adding a database, enter the details of your on-premises database infrastructure in the Source section. In the Destination section, select the Azure service you would like to use.

+ Add database

Storage

Enter the details of your on-premises storage infrastructure. After adding storage, select the storage type and enter the remaining details.

+ Add storage

Networking

Enter the amount of network bandwidth you currently consume in your on-premises environment.

Outbound bandwidth ⓘ

1
GB (1 - 2000)

Next

Customer Experience

Real customer scenario-based guidance across “4R” migration journeys

What is it

- Azure Migration Center has structured BDM and TDM guidance for multiple migration scenarios
- Covers basic lift-and-shift all the way to rebuilding apps, as well as initial assessment and optimization

When to use it

- During customer discussion and to select tools and methods for specific customer migrations
- The Migration Center also has rich content on post-migration optimization

How to access

- [Azure Migration center](#)
- (see also the case studies, for specific customer examples)

Key Migration stages covered by Migration Center content

Assess	Migrate			Rebuild	Optimize
	Rehost	Refactor	Rearchitect		
<ul style="list-style-type: none"> • Discover- using cloud migration assessment tools, compile an inventory of the physical and virtual servers in your environment. • Map servers to represent on-premises applications • Evaluate how to best move each on-premises application 	<p>When to consider</p> <p>Free up datacenter capacity</p> <p>Apps that are in “maintain mode”</p> <p>Pros</p> <p>No re-architect or new code</p> <p>Least effort for quick migration</p> <p>Cons</p> <p>Doesn't take full advantage of cloud</p> <p>Manual patching, upgrades</p> <p>No automated app scaling and high availability</p>	<p>When to consider</p> <p>Need a quick way to modernize</p> <p>Code portability is important</p> <p>Pros</p> <p>No re-architect or new code</p> <p>Increased density and lower deployment cost</p> <p>Improved productivity and DevOps agility</p> <p>Portability of apps and dependencies</p> <p>High availability with orchestrators</p> <p>Cons</p> <p>Containerization is an additional step</p>	<p>When to consider</p> <p>Monolithic, spaghetti code</p> <p>Pros</p> <p>Higher availability</p> <p>Greater agility</p> <p>Better modularity and reuse</p> <p>Optimized for pay-as-you-use features that save you money</p> <p>Cons</p> <p>Requires significant code refactoring</p>	<p>When to consider</p> <p>Applications that are key to future business success</p> <p>Pros</p> <p>Optimized for long-term agility</p> <p>Optimized for scale and high availability</p> <p>Optimized for pay-as-you-use features that save you money</p> <p>Cons</p> <p>Requires significant core rewrite (or new code)</p>	<ul style="list-style-type: none"> • Manage costs to invest with confidence • Enable Industry leading security • Monitor cloud health • Protect your data in the cloud

Azure Monitoring

Includes Azure Monitor and Azure Log Analytics to view, manage, and analyze Azure data

What is it

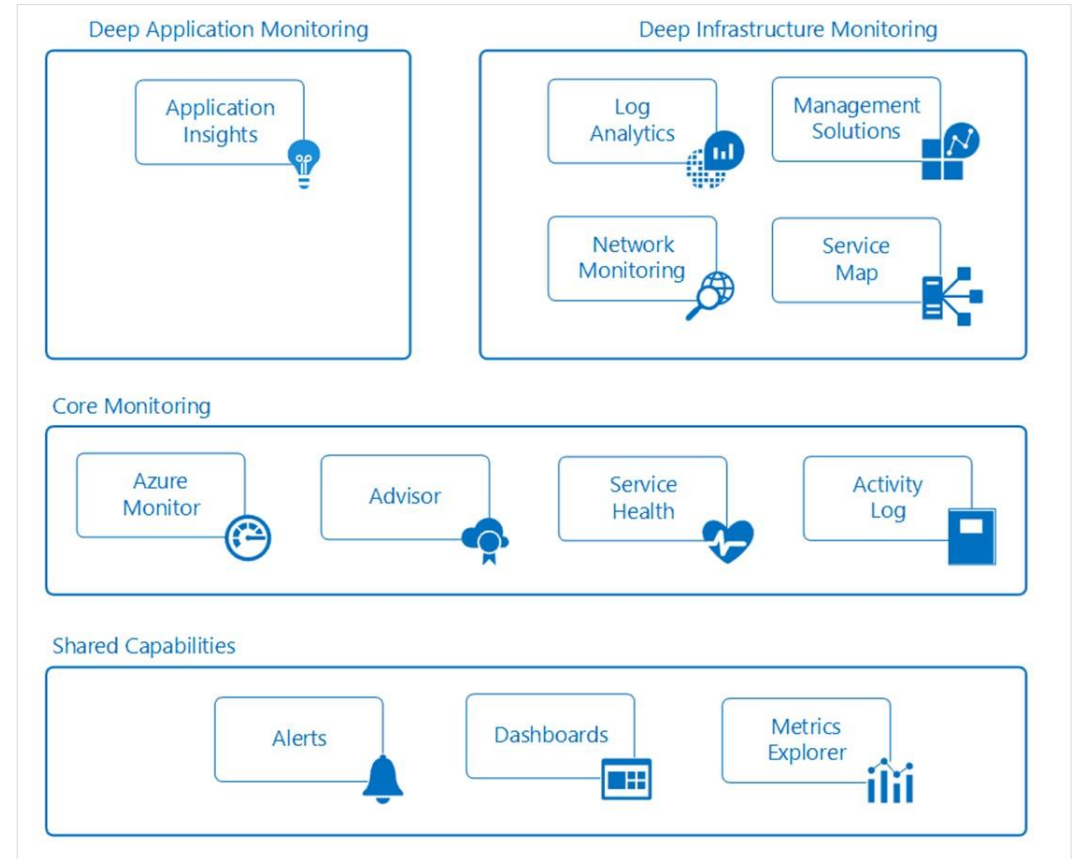
- Software solutions and visualization tools to centralize monitoring data from multiple systems in a single data store and derive insights.

When to use it

- Monitoring is tiered from shared capabilities, through to core and then deeper monitoring
- Transform Azure activity data and managed resources data across different subscriptions into actionable insights. Get deeper visibility into your hybrid IT environment including Azure and on-premises resources
- Detect, diagnose and fix issues quickly

How to access

- Scenario guidance is available [here](#)
- Azure Monitor is described [here](#) and Azure Log Analytics is described [here](#)
- Log Analytics is billed per gigabyte (GB) of data ingested into the service([details](#))



Azure Policy

Active control and governance at scale for your Azure resources

What is it

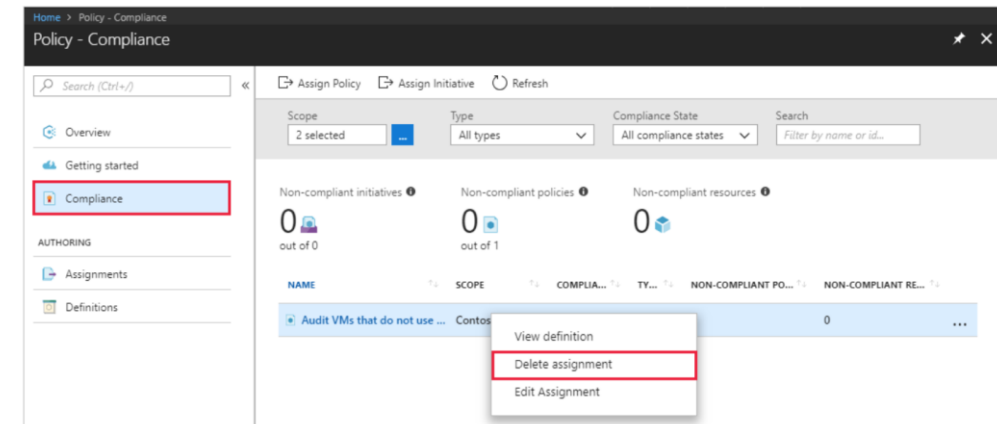
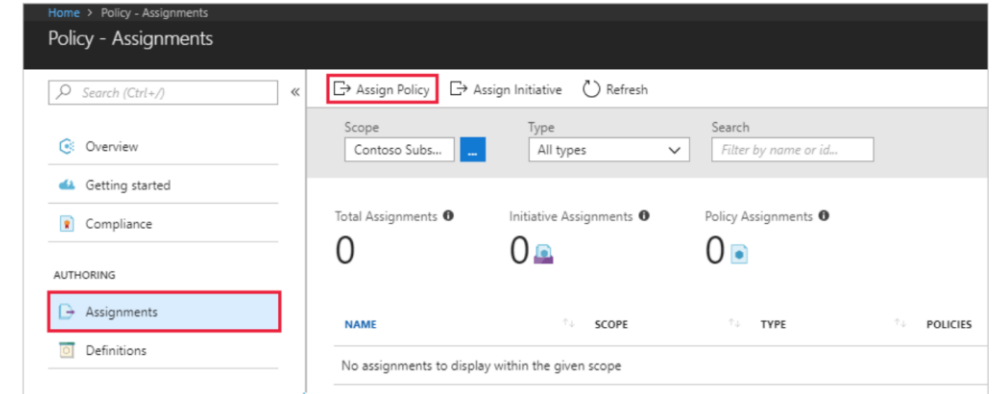
- Software solution and platform to control and govern at scale Azure resources, apply management, enforce policies and audit compliance

When to use it

- To add policies to resources easily, restrict deployment options for organization to specific datacenters, or enable the creation of specific resources types only. Establish tagging metadata to help drive accountability and compliance
- To apply policy and enforce compliance at scale easily

How to access

- Azure Policy is described [here](#)
- There are no charges for using Azure Policy ([details](#))



Service Map

Automatically discover and map servers and their dependencies in real-time

What is Service Map

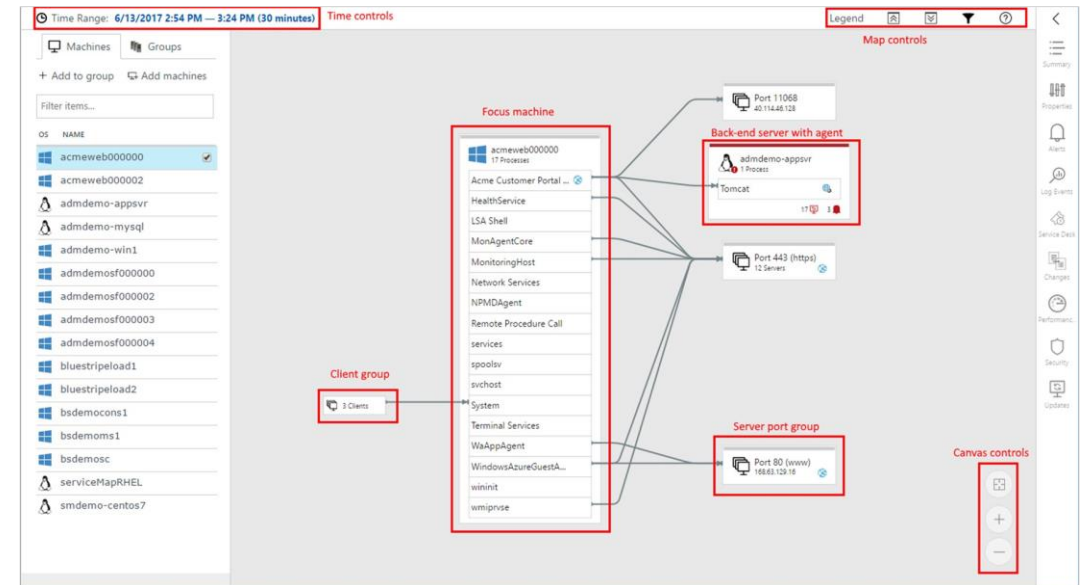
- A product that automatically discovers application components on Windows and Linux systems and maps the communication between services
- Enables viewing of servers as interconnected systems that deliver critical services

When to use it

- Service Map shows connections between servers, processes, and ports across any TCP-connected architecture, with no configuration required other than the installation of an agent
- Use Service Map to effectively plan, accelerate, and validate Azure migrations, which helps ensure that nothing is left behind and surprise outages do not occur

How to access

- [Product page](#)
- [Using Service Map](#) (including a specific section on how to use the tool in migration scenarios)



Selling the Azure Cloud to SMBs: How do partners make money

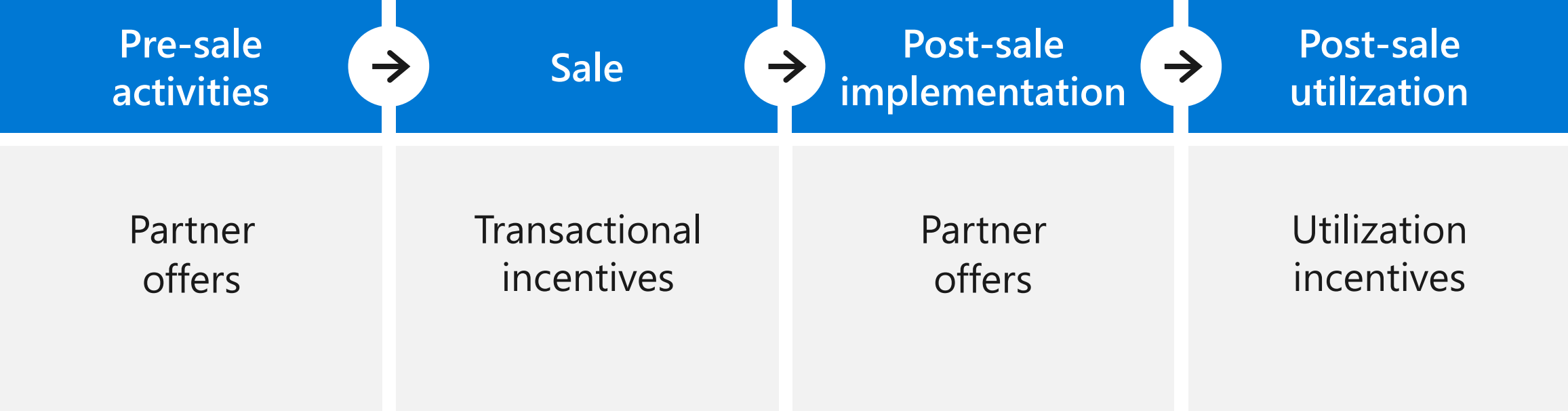
Partner-Ready

OCP



What's in it for Partners?

Investments aligned to partner-customer sales journey



Partner investments overview

	Pre-sale Partner offers	Sale Transactional incentives	Post-sale implementation Partner offers	Post-sale utilization Utilization incentives
Intelligent Cloud	<p>PACE</p> <p>Azure Everywhere</p>	<p>CSP Incentives</p>	<p>Azure Adoption</p>	<p>Azure Consumption Incentives</p> <p>Modern Commerce Incentives</p>
Modern Workplace	<p>M365 Everywhere</p>	<p>CSP Incentives</p> <p>Sky's the Limit</p> <p>SPLA Incentive</p> <p>Hosting Incentive</p> <p>Device Incentive</p>	<p>Teams Adoption</p> <p>Modern Desktop Adoption</p>	<p>Online Services Usage Incentive</p>
Business Applications	<p>D365 Everywhere</p>	<p>CSP Incentives</p> <p>Dynamics Advisor Incentives (OSA)</p> <p>SPLA Incentive</p> <p>Hosting Incentive</p>		<p>Online Services Usage Incentive</p>

Note: each program has specific partner eligibility requirements

Key	Offers	Incentives
-----	--------	------------

FY20 PIE offers at a glance

	Description	Payout	ROI	Partner eligibility	Partner competencies and other requirements (US ECIF-approved suppliers)	Customer eligibility
PACE	Demand-gen marketing funding for 1:many events, e.g. executive roundtables, solution roadshows, hackfests, Architectural Design Sessions, developer camps, hands-on lab experiences, and hands-on training	Up to \$1,500 per event	N/A	All partners	Cloud Platform or Data Platform, Gold or Silver (+ CIE certification for hands-on training activity)	Managed and unmanaged
Azure Everywhere	Pre-sales funding for 1:1 customer engagements: assessments, proofs of concept, Architectural Design Sessions, hackathons, hands-on training, and Azure Governance	\$1.5k - \$7.5k	8:1	All partners	Cloud Platform or Data Platform, Gold or Silver	Managed and unmanaged
Azure Adoption	Post-sales funding for 1:1 customer engagements: app modernization, migrations, deployments, and Fundamentals on Azure training	\$1.5k - \$16.5k	8:1	All partners	Cloud Platform or Data Platform, Gold or Silver	Managed and unmanaged
D365 Everywhere	Pre-sales funding for 1:1 customer engagements: assessments, proofs of concept, and App-in-a-day workshops	\$2k - \$15k	15:1	All partners	Enterprise Resource Planning, Cloud Business Applications, or Cloud Customer Relationship Management, Gold or Silver (+ tier 2 in PowerApps Partner program for App-in-a-day workshop activity)	Managed only
M365 Everywhere	Pre-sales funding for 1:1 customer engagements: assessments, proofs of concept, and Cloud Immersion Experiences	\$2k - \$10k	20:1	All partners	Windows & Devices, Cloud Productivity, or Enterprise Mobility Management, Gold or Silver (+ CIE certification for CIE activity)	Managed only (excludes EDU)
Modern Desktop Adoption	Post-sales funding for 1:1 customer engagements: assessments, proofs of concept, technical deployment or migration, discovery and planning session, Organizational Change Management, and end-user adoption training	\$2k - \$15k	\$2/seat	All partners	Windows & Devices or Cloud Productivity, Gold or Silver	Managed only (excludes EDU)
Teams Adoption	Post-sales funding for 1:1 customer engagements: Teamwork Assessments, proofs of concept, technical deployment or migration, discovery and planning session, Organizational Change Management, end-user adoption training, and CIEs	\$2k - \$15k	\$3-4/seat	All partners	Communications, Windows & Devices, or Cloud Productivity, Gold or Silver (+ CIE certification for CIE activity)	Managed only (excludes EDU)

CSP Indirect Reseller Incentive

Effective
July 1, 2019
through
June 30, 2020

1 Purpose

Reward and support CSP Indirect Resellers for driving the activation and enablement of customers with Microsoft based Online Services

3 Need to know

- Local accelerators potentially available (per country choice)
- Co-op component will be introduced in H2
- Core program and strategic product accelerator rates will adjust in Q2
- New Customer Add accelerators begin in Q2
- Azure incentives for new Commerce Platform transactions begin in Q2

* Unique accelerators for the 3 Microsoft Clouds (Azure, Dynamics, Modern Workplace), each with defined earning opportunity launch Oct. 1.

** Global Strategic Product Accelerator includes M365 E3, M365 E5, M365 Business, O365 Biz Premium, the 2 E5 Mini Suites, D365 Business Central

*** Core = Windows Server Std | Strategic = SQL Server

Incentive guide and other resources available on MPN at aka.ms/partnerincentives

2 Eligibility

- Active MPN membership
- Onboard to the CSP incentive tool
- Attain defined MPN competency at Gold or Silver level

4 Incentive rates

Q1 Incentive

	Rate
Core Incentive (Rebate only) – O365	6%
Core Incentive (Rebate only) – M365, D365, Azure	8%
CSP Customer Add Accelerator (continued from FY19) *	2%
Global Strategic Product Accelerator **	2%
Global PSTN Calling and Conferencing Accelerator	20%
Software in CSP – Subscription ***	Core – 1.25%, Strategic 6%

Q2 Incentive

	Rate
Core Incentive (Rebate only) – O365, M365, Azure	4%
Core Incentive (Rebate only) – D365	6%
CSP Customer Add Accelerators for 3 Clouds	Varies
Global Strategic Product Accelerator **	5%
Global PSTN Calling and Conferencing Accelerator	20%
Software in CSP – Subscription **	Core – 1.25%, Strategic 6%

Azure Reserved Instance (RI) Incentive

	Rate
Azure RI (Paid on consumed Azure RI revenue)	10%

Customer Acquisition Accelerators for 3 Clouds

Unique new customer add accelerators to drive results for each Microsoft Cloud

Intelligent Cloud*

Reward for Azure new customer sales and growth in CSP

Establish two earning thresholds with defined payout amounts:

Identify a new customer as one that purchases \$1,000 USD in a month in CSP and pay set amount (\$500 USD).

When they purchase \$5,000 USD in a fiscal month in CSP pay additional set amount (\$3,500 USD).

Business Applications*

Reward for D365 new customer sales and growth in CSP

New customer qualified as one with billed revenue of \$1,000 USD/mo. Pay 20% of the Annual Contract Value (ACV) of the first month's billing.

In addition, pay the 20% ACV accelerator on the revenue of additional seat adds for those new customers during the first 12 months.**

Cap accelerator at \$100,000 USD per customer.

Modern Workplace*

Reward for O365/M365 new customer sales and growth in CSP

Identify a new customer as one that reaches \$250 USD monthly revenue. Incent 5% of the monthly billed revenue for each month of the next 12 months that the revenue exceeds the threshold.

In addition, pay the accelerator on the revenue of additional seats added for those new customers (assuming original \$250 threshold maintained).

NOTE – Customer must be net new to Microsoft (measured at the TPID level) to qualify for these accelerators

*Launches October 1, 2019

**Launches January 1, 2020

Thank you!